

## Response by Prof David Gregg to Consultation on Changes to Planning System Copy of Email

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### **Subject: Response to Q15 : using housing stock in the new standard method**

I am Professor D P Gregg of Wirral. I led research teams on statistical modelling and planning methods in Unilever Research for thirty years. I also provided consultancy on forecasting and planning to Unilever operating companies at director level. For fifteen years I was also a professor at a northern university. In 2021 I contributed to the Office of Statistics Regulation Quality Review of ONS population projection methods following my technical complaints about same. I gave technical evidence at the Wirral MBC Local Plan Examination in 2023 and to the Leverhulme Estate Public Inquiry on housing. I attach a recent note on the new SM written for Wirral political party leaders, councillors and council officers.

I have examined the impact of the proposed NPPF SM using dwelling stock as the basis of housing need estimates with the results described below. The proposed method is arbitrary, internally incoherent and non-objective. The method takes the national average % growth in stock and applies it to actual local authority dwelling stock levels. This is incoherent since accurate stock % growth rates are available for all local authorities. Rationally, if one seeks a stock-based method one would at least use both local stock levels and local % rates which we have now from the 2021 census data and from rapidly improving LA administrative data sources. The ONS has spent years improving these sources. We can show the impact of these issues for local authorities by considering Wirral as an example.

The proposed SM gives a 1,755 dpa Wirral mandated housing need starting point. Over a 16-year local plan this amounts to 28,080 d and implies at current HH size, a population increase of 62,338 people. The proposed method uses a 0.8% pa stock growth. However, from census data we know that actual Wirral stock growth (2011 - 2021) was 0.311% pa. The stock-based SM would then give  $(0.311 / 0.8) \times 1755 = 682$  dpa need or 10,900 d in the LP period. So, using a stock-based SM with internal data consistency gives just 39% of the proposed new SM Wirral need.

However, the choice of using dwelling stock at all is arbitrary and provides no response to real world local population growth or HH growth forecasts (based e.g. on local census data), nor to local employment prospects. The effect of ignoring population and HH growth is stark. The Wirral census data as reported by the ONS told us that 2011 - 2021 population growth was just 417 people. Over a 16-year LP, this rate gives us just 667.2 additional people. At current HH size this is 303 dwellings in 16 years compared with the proposed stock SM need of 28,080 dwellings (or a corrected stock SM need of 10,900 d). It could be argued that economic growth could alter the demographic need estimate. In the LP preparation Oxford Economics provided Wirral MBC with a comprehensive analysis of employment prospects. The maximum job growth rate forecast to 2036 was ~100 jpa, very small indeed.

I also searched the NPPF Consultation documents for any mention of independent academic support for the national annual housing need target of ~371,000 d which is the basis for the proposed standard method. I found only one reference to 'Housing Requirements in England Revisited' by Professor Glen Bramley of Herriot-Watt University. Bramley was the source of the 300,000 - 350,000 dpa targets set by Coalition and various Conservative governments over the last decade or so. In his new report Bramley provides a range of scenarios. His 'Hi Growth' (economic / immigration) scenario forecasts a 'net additions' range up to 371,675 dpa versus a HH nos. growth of 378,127 hhp. The new government proposed SM national housing need is ~371,000 dpa. Could there be a connection? But note that Bramley is forecasting demographic need plus overcrowding, homelessness, social housing replacement, adjustments, i.e. housing 'requirements', not housing 'needs' as defined in all previous standard methods as a 'starting point'. But Bramley also uses his detailed models to estimate total new build requirements by strategic market housing area as reported in his table A10. He looks at 103 SHMAs calculating requirement as a % of current household numbers.

The lowest target in the list at 0.29% of HH nos. is Wirral giving us a 'requirement' target of  $0.0029 \times 143,500 = 416.15$  dpa or 6,658.4 new homes in 16 years. (Taking out Bramley's exaggerated components for homelessness, overcrowding, fantasy social housing replacements, etc, the equivalent 'need' would be around 4,600 d). This compares with the 28,080 d 'need' in 16 years from the proposed new SM and 303 d 'need' from Wirral census population growth. I suggest these results make my point about the new SM and the Bramley assumptions used by the government.

I have to conclude that the proposed dwelling stock based standard method is totally non-objective, arbitrary and internally incoherent.

I suggest that the government started with an exaggerated, not understood, national housing 'requirement' estimate from Professor Bramley, or others un-named, and worked backwards to find a SM formula which would falsely assign housing 'need' to places with low demographic / economic growth and away from problem cities like London, Birmingham, Manchester and Liverpool. For Ministers to talk of LAs like Wirral 'taking a fair share' of excessive, uncontrolled net migration is therefore outrageous.

The consequences of assigning false, highly inflated, housing needs / requirements to areas of low demographic / economic / job growth can be devastating in terms of the impact on local finances, public services such as Health, and on strained infrastructure. In many places like Wirral, these totally false, centrally mandated housing targets will also force a significant destruction of real, high quality, Green Belt land.

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